

**Foreign Currency Time Deposit (Chinese yuan):
Pre-Account Opening Risk Explanation Form and Product Fact Sheet
外貨定期預金(中国元建て) 契約締結前交付書面 兼 商品説明書(兼 外貨預金等書面)**
(This is a “Document to be delivered prior to the Execution of the Contract” as well as
“Document on Foreign Currency Deposits etc.” required to be delivered pursuant to applicable
laws and regulations.)

PLEASE READ THIS DOCUMENT CAREFULLY

- Foreign Currency Time Deposit is a foreign currency denominated deposit (deposit denominated in any currency other than Japanese yen (“JPY” or “Yen”)), in which the deposit tenure is fixed at the time of deposit, and, in principle, pre-maturity cancellation is not allowed.
 - Foreign Currency Deposits carry foreign exchange fluctuation risk. Due to possible fluctuations, the yen equivalent amount of the amount actually received in a foreign currency could be smaller than that of the amount initially deposited at the time of foreign currency deposit contract (i.e. there is a risk of loss of principal on a JPY basis).
- When you convert JPY into a foreign currency (at the time of deposit), or a foreign currency into JPY (at the time of withdrawal), a one-way foreign currency exchange fee as described in the Product Fact Sheet is levied on each conversion. At the time of deposit and withdrawal, TTS rate (for deposit) or TTB rate (for withdrawal) prescribed by the Bank will be applied (exchange fees are included in such respective rates). Therefore, even if there is no foreign exchange fluctuation, there is a risk that the JPY equivalent amount of the amount actually received in a foreign currency could be smaller than that of the amount originally deposited at the time of foreign currency deposit contract (i.e. there is a risk of loss of principal on a JPY basis) due to our two-way (selling and buying) foreign currency exchange fees.
 - Foreign Currency Deposits carry foreign exchange fluctuation risk. Due to possible fluctuations, the yen equivalent amount of the amount actually received in a foreign currency could be smaller than that of the amount initially deposited at the time of foreign currency deposit contract (i.e. there is a risk of loss of principal on a JPY basis).
 - Chinese yuan is a currency under the currency/foreign exchange control by the Chinese government. Therefore, transactions in Chinese yuan involve the risk of substantial fluctuation in exchange rates, or even the impossibility of transacting foreign exchange due to the currency policy of the Chinese government, the economic or market conditions or the political situation in China, among other factors.

- Pre-maturity cancellation is not allowed, including after automatic renewal. If the Bank deems that there are circumstances that are truly unavoidable (e.g. inheritance, bankruptcy, substantial part of the assets being lost or damaged by force majeure such as natural disaster, or other material changes in the status of the customer) and agrees to the cancellation before maturity by the customer, the interest rate to be applied for the period from the deposit date to the cancellation date shall become 0% (zero percent), and only the principal will be credited to the Multi Currency Savings Account of the same currency.

➤ **Bank Name , Address in Japan, Where to call**

The Hongkong and Shanghai Banking Corporation Limited

HSBC building, 11-1 Nihonbashi 3-chome, Chuo-ku, Tokyo

For any inquiries, please contact our branches or HSBC Premier Call Centre (English 0120-777-268)

Product Fact Sheet

as of 1 April, 2011

Product Name	Foreign Currency Time Deposit (Chinese yuan)	
Brief Description of Product	Foreign Currency Time Deposit in Chinese yuan with deposit tenor fixed at the time when the contract is made. In principle, pre-maturity cancellation is not allowed.	
Deposit Insurance	Deposits with the Bank in Japan are not protected by the Deposit Insurance System in Japan.	
Deposit tenure	<p>1-month, 2-months, 3-months</p> <p>Automatic renewal type (Principal & Interest Renewal Type / Principal Renewal Type) and Non-Renewal Type are available.</p> <p>* Automatic Principal & Interest Renewal Type: Foreign Currency Time Deposit of the same deposit tenor as the previous deposit is automatically created. The interest on the previous deposit is added to the principal of the renewed deposit.</p> <p>* Automatic Principal Renewal Type: Foreign Currency Time Deposit of the same principal and the same deposit tenure as the previous deposit is automatically created. The interest is credited either to Yen Savings Account or Multi Currency Savings Account of the same currency as designated in advance.</p> <p>* Non-Renewal Type: The principal is credited to Multi Currency Savings Account of the same currency. The interest is credited either to Yen Savings Account or Multi Currency Savings Account of the same currency as designated in advance. (After the interest and principal being credited to the Savings Account, the applicable savings account interest rate will be applied.)</p>	
Eligible Customer	Individuals (Limited only to customers to whom the Bank considers the deposit is suitable)	
Deposit	i) Method of Deposit	Lump sum deposit from Yen Savings Account or Multi Currency Savings Account in the same currency
	ii) Minimum Deposit Amount	CNY 10,000.00
	iii) Deposit Unit	One sub-currency unit
Method of Repayment	<p>Principal will be repaid in lump sum on or after the maturity date into Multi Currency Savings Account in the same currency.</p> <p>* For automatic renewal type (Principal & Interest Renewal Type or Principal Renewal Type), customer will need to apply for the maturity cancellation as prescribed by the</p>	

	<p>Bank prior to the maturity date.</p> <p>* For Non-Renewal Type, the principal and interest will be automatically credited to the designated account at around 10:30 AM on the maturity date. Please contact the HSBC Premier Centre or HSBC Premier Call Centre in case you wish to request the fund to be credited between 9:00 AM and 10:30 AM on the maturity date.</p>
Interest	<p>i) Applicable Interest Rate Interest rate at the time of deposit (or renewal) is applied until the maturity date. For interest rates, please enquire the HSBC Premier Centre or HSBC Premier Call Centre.</p>
	<p>ii) Payment Method Lump sum payment on or after the maturity date.</p>
	<p>iii) Calculation Method Interest will be calculated on the unit of one sub-currency unit, on a daily prorated basis over a 365-day year.</p>
Tax	Interest income will be subject to the 20% withholding tax (national tax 15%, local tax 5%). The tax-free small sum savings system (“Maruyu”) is not applicable.
Taxation on Foreign Exchange Profit	Foreign exchange profit is considered as miscellaneous income, which is subject to consolidated taxation through final declaration. Provided, however, if the customer is a salaried person whose annual salary income is 20 million Yen or less, and whose annual non-salary income including foreign exchange profit is 200,000 Yen or less, no declaration is required. Foreign exchange loss cannot be deducted from regular income except miscellaneous income. For further details, please consult with your accountant and/or tax accountant.
Fees and Charges	<p>Foreign Exchange Fees (one way, yen per 1 currency unit)</p> <p>Less than CNY 90,000 : 0.18 yen</p> <p>CNY 90,000 or above: 0.14 yen</p> <p>* For transactions via HSBC Personal Internet Banking, the applicable foreign exchange fees will be 0.18 yen/CNY, regardless of the transaction amount.</p> <p>* Basically, foreign exchange transaction to purchase or sell CNY in excess of CNY900,000 on a single transaction will not be allowed. (Please enquire for the transaction above JPY 100,000,000 equivalent. Applicable foreign exchange fees will be 0.14 yen.)</p>
Special Clause to be added	Nil.
Handling of Cancellation before Maturity	Pre-maturity cancellation is not allowed, including after automatic renewal. If the Bank deems that there are circumstances that are truly unavoidable (e.g. inheritance, bankruptcy, substantial part of the assets being lost or damaged by force majeure such as natural disaster, or other material changes in the status of the customer) and agrees to the cancellation before maturity by the customer, the interest rate to be applied for the period from the deposit date to the cancellation date shall become 0% (zero percent), and only the principal will be credited to the Multi Currency Savings Account of the same currency.
Authorized Investor Protection Body which the Bank is subject to	Nil.
Designated Dispute Resolution Body which the Bank has concluded an agreement with	<p>一般社団法人全国銀行協会(Japanese Bankers Association)</p> <p>Contact information</p> <p>JBA Customer Relations Center</p> <p>Phone 0570-017109 or 03-5252-3772</p>